



Committee On Finance

Max Baucus, Ranking Member

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For Immediate Release
Friday, July 29, 2005

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Baucus Cements Deal on Highway Bill

Congress Sends Final Package to President Bush for Signature

(WASHINGTON, D.C.) The House of Representatives and the Senate overwhelmingly voted to reauthorize the federal transportation program, H.R. 3, the *Transportation Equity Act: A Legacy for Users*. U.S. Senator Max Baucus was the lead Democratic negotiator during conference talks and played a key role in the final agreement.

“Millions of Americans will enjoy shorter commutes, less time behind the wheel, better roads, and improved transportation safety,” Baucus said. “This bill will significantly affect millions of people’s lives for the better.”

Baucus emphasized the legislation will sustain millions of jobs and provide a boost to the nation’s economy.

“This is more than a highway bill, it’s a jobs bill,” Baucus said. “In my home state of Montana, more than 18,000 good-paying jobs will be created and sustained because of this legislation. Thousands of jobs and new opportunities will come to communities struggling economically. American businesses can move goods and services safely and more efficiently keeping our economy competitive.”

As ranking member of the Finance Committee, Baucus’ leadership was crucial in drafting the tax provisions in the bill. The Senate Finance Committee is responsible for raising revenue to fund the transportation program.

“The tax provisions within the legislation provide incentives for new fuel technologies,” Baucus said. “We have put tax credits in the bill reward those who use cleaner burning alternative fuels. This will provide an incentive for people to use alternative energy sources, lessening our dependence on foreign oil while raising revenue for highways.”

The volumetric excise tax credit for alternative fuels will expand the ethanol excise tax credit to include other alternative fuels that take the place of conventional petroleum products. Some of the alternative fuels include natural gas, diesel from coal, and other fuels derived from biomass.

Baucus noted the tax title has new measures to crack down on fuel fraud that will raise millions in additional highway revenue. The bill also reforms a number of highway excise taxes, alcoholic beverage taxes, and sport excise taxes will make the tax code less complicated and provide tax relief to small businesses.

“Today’s agreement represents a victory for all those who have been working on this bill,” Baucus said. “This agreement will pump billions of dollars into our nation’s roads and economy. By working together we strengthened the nation’s transportation systems and will provide millions of good-paying jobs across the nation.”

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